

B.13.3 Performance Based Price Adjustments

Price adjustments are designed to provide incentives and to assure performance of all requirements at or above the Government's Acceptable Quality Level. Acceptable Quality Levels per CLIN are provided in Section C and in the Performance Requirements Summary (PRS) in Attachment A.

Quality must be recognized as a vital requirement of this Contract. Government Quality Assurance shall be performed in accordance with Section E.

Prices listed in the Offeror's proposal and subsequently incorporated via contract award will be subject to the following performance based adjustments:

Speed	Error Rate during Contract Period I	Error Rate during remainder of the Contract	Incentive Paid
When applications are completed within ___% of Time Standard	When CLIN Error Rate is ___%	When CLIN Error Rate is ___%	The following unit price adjustment will be applied per CLIN for the evaluated period.
96	0-1%	0-1%	6% of CLIN price added to CLIN price
96	1.01-2%	1.01-2%	4% of CLIN price added to CLIN price
96	2.01-3.49%	2.01-3.49%	2% of CLIN price added to CLIN price
96	3.5-7.5%	3.5-5%	None (CLIN price will be paid)
96	7.51-9%	5.01-6.5%	2% of CLIN price subtracted from CLIN price
96	9.01-10.5%	6.51-8%	4% of CLIN price subtracted from CLIN price
96	10.51-12.5%	8.01%-10%	6% of CLIN price subtracted from CLIN price
96	12.51-17.5%	10.01-15%	10% of CLIN price subtracted from CLIN price**
96	17.51-22.5%	15.01-20%	20% of CLIN price subtracted from CLIN price**
93 – 95.9	0-7.5%	0-5%	5% of CLIN price subtracted from CLIN price
93 – 95.9	7.51-12.5%	5.01-10%	10% of CLIN price subtracted from CLIN price
93 – 95.9	12.51-17.5%	10.01-15%	15% of CLIN price subtracted from CLIN price**
93 – 95.9	17.51 – 22.5%	15.01 -20%	25% of CLIN price subtracted from CLIN price**
Less than 93%	Any	Any	50% of CLIN price subtracted from CLIN price **
Any	>20%	>20%	**

** Contractor performance at this level may lead to the return of the entire month's production for re-performance and/or termination for default. If the initial sample shows an error rate between 10.01% to 15%, the Government will increase the sample size to the greater of 3% or 900 applications.

Any applications not classified within a total of 56 calendar days after receipt by the contractor may result in discontinuance of assignment of work under the contract.